

Statistical bulletin

Index of Private Housing Rental Prices, UK: January 2024

An experimental price index tracking the prices paid for renting property from private landlords in the UK.

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14 February 2024

Next release:
discontinued

Notice

14 February 2024

This release has been discontinued. The last planned release was on 14 February 2024. These statistics have been superseded by the new, monthly [“Private rent and house prices, UK”](#) bulletin, to produce a single, monthly housing publication that provides more detailed insight into the UK housing market. Within this new release, we will continue to publish private rental price and house price statistics and links to relevant tables and datasets.

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1 . Main points

- Private rental prices paid by tenants in the UK rose by 6.2% in the 12 months to January 2024, unchanged for the second consecutive month.
- Annual private rental prices increased by 6.1% in England, 7.0% in Wales and 6.8% in Scotland in the 12 months to January 2024.
- Within England, London had the highest annual percentage change in private rental prices in the 12 months to January 2024, at 6.9%, while the North East saw the lowest, at 4.7%.

UK estimates for the latest two months are provisional and subject to revision. All statistics are non-seasonally adjusted estimates, unless explicitly stated otherwise.

The Index of Private Housing Rental Prices (IPHRP) is released as [official statistics in development](#), and is subject to revisions if improvements in the methodology are identified. Users should interpret results with this in mind. More information is available in [Section 7: Measuring the data](#).

Change to this release

The last planned release of the Index of Private Housing Rental Prices (IPHRP) was on 14 February 2024. As part of our continuous improvement of UK price statistics, these statistics have been superseded by our new, monthly "[Private rent and house prices, UK](#)" bulletin, in which we will continue to publish housing statistics and links to relevant tables and datasets.

We published our [Redevelopment of private rental prices statistics, impact analysis article](#), comparing the IPHRP and the new Price Index of Private Rents (PIPR), on 1 December 2023.

The change to this release was planned as part of the Office for National Statistics's (ONS) redevelopment of private rental price statistics and unifies ONS' private rental price and house price statistics into a single housing release. Contact hpi@ons.gov.uk with any questions or feedback.

2 . UK private rental prices

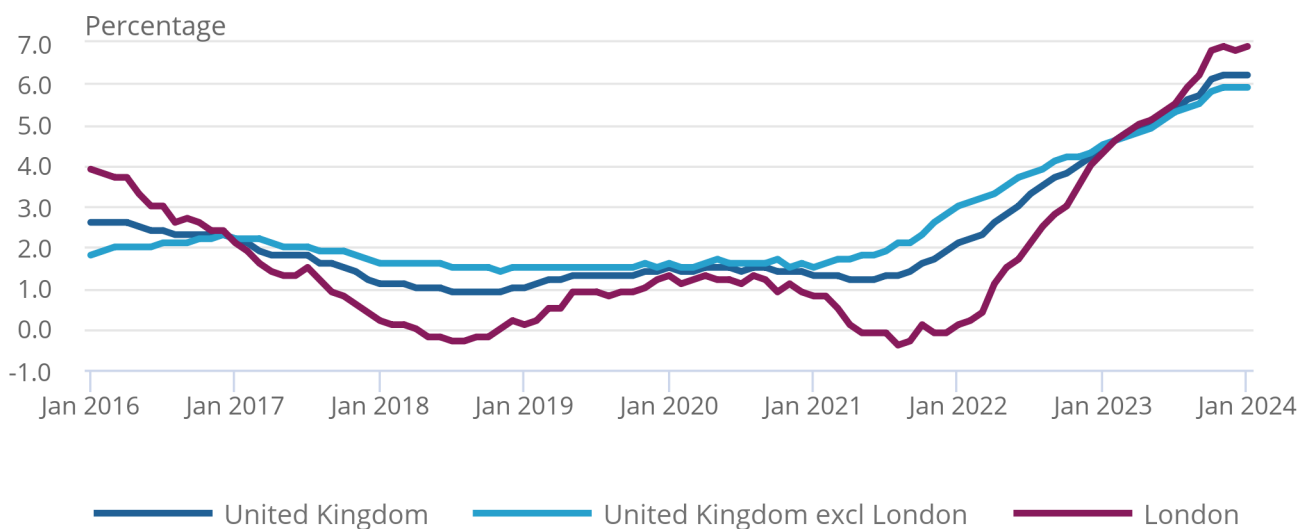
Private rental prices paid by tenants in the UK increased by 6.2% in the 12 months to January 2024 (provisional estimate). The annual rate has remained unchanged since November 2023, and represents the joint-highest annual percentage change since this UK data series began in January 2016.

Figure 1: UK annual private rental prices rose by 6.2% in the 12 months to January 2024

Private rental price percentage change over 12 months, UK and London, January 2016 to January 2024

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Private rental price percentage change over 12 months, UK and London, January 2016 to January 2024



Source: Index of Private Housing Rental Prices from the Office for National Statistics

Notes:

1. Data presented are classified as [official Statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and Limitations](#).
2. Northern Ireland data are currently available up to November 2023. To estimate UK figures up to January 2024, Northern Ireland's November 2023 index has been carried forward. Updated Northern Ireland data will be used to revise UK estimates for December 2023 and January 2024 when available.

The annual inflation rate of private rental prices in the UK began to increase in the second half of 2021 (Figure 1). Annual growth was seen across all regions except London, where prices decreased. The annual percentage change in rents increased across all regions in 2022, including in London, and this generally continued during 2023.

In the 12 months to January 2024, rental prices for the UK (excluding London) increased by 5.9% (provisional estimate) the same annual percentage change as the previous two months. Private rental prices in London account for almost a third of UK rental expenditure, as shown in our [Index of Private Housing Rental Prices. UK: annual weights analysis dataset](#).

Private rental prices in London increased by 6.9% in the 12 months to January 2024. This was up from 6.8% in the 12 months to December 2023, and represents the joint-highest annual percentage change since this London data series began in January 2006.

The Royal Institution of Chartered Surveyors (RICS) reported an increase in tenant demand, in their [January 2024 UK Residential Market Survey](#), in the three months to January. However, respondents once again noted a decline in the volume of new landlord instructions. RICS also noted that the imbalance between supply and demand is still expected to drive rental prices higher over the coming months.

Supply and demand pressures can take time to be reflected in the Index of Private Housing Rental Prices (IPHRP). This is because the index reflects price changes for all private rental properties, rather than only newly advertised rental properties. We explain how we measure price change in the IPHRP in our [Measuring rents: stock vs flow blog post](#).

3 . Annual UK private rental price percentage change by country

England

In England, private rental prices increased by 6.1% in the 12 months to January 2024, unchanged from the increase in the 12 months to December 2023. When London is excluded from England, private rental prices increased by 5.7% in the 12 months to January 2024. The figures are the joint-highest annual percentage changes since these data series began in January 2006.

Wales

Private rental prices in Wales increased by 7.0% in the 12 months to January 2024. This was the largest annual increase of all the countries in Great Britain, but showed a further slowing from the record high of 7.3% in the 12 months to November 2023.

Because the Index of Private Housing Rental Prices (IPHRP) measures rental price changes of the entire privately rented stock, changes in annual inflation of newly let rental prices take time to be reflected in IPHRP's measure. [HomeLet's annual inflation for new tenancies in Wales](#) rose substantially between mid-2022 and early 2023, reaching a peak of 11.0% in the 12 months to March 2023. The rise in the IPHRP's annual inflation for Wales between mid-2022 and late 2023 is likely to reflect this high annual inflation for new lets.

However, IPHRP's annual inflation of the stock in Wales has slowed slightly in the latest two consecutive months, down from the record-high annual rate of 7.3% in the 12 months to November 2023. This is consistent with HomeLet's report that annual inflation for new lets in Wales has generally slowed in 2023, slowing to 6.5% in the 12 months to January 2024.

Our [Measuring the UK housing market blog post](#) provides more detail on the differences between stock and flow measures of rental prices.

Scotland

Private rental prices in Scotland increased by 6.8% in the 12 months to January 2024, up from 6.3% in the 12 months to December 2023. This is the highest annual rate since the Scotland data series began in January 2012. The [Cost of Living \(Tenant Protection\) Scotland Act](#) has capped in-tenancy rental price increases in Scotland since late 2022 (see [Section 7: Measuring the data](#)).

[HomeLet's annual inflation for new tenancies in Scotland](#) has risen substantially in recent years, from 3.7% in the 12 months to May 2021, to a peak of 15.8% in the 12 months to July 2023. HomeLet reports that new let annual inflation in Scotland has slowed in recent months, slowing to 8.0% in the 12 months to January 2024.

It takes time for changes in new let annual inflation to be shown in IPHRP's stock measure. So, the continued rise in the IPHRP's annual inflation for Scotland since this Act was passed is likely to reflect the high annual inflation for new lets (that are not subject to the price cap) in 2022 and 2023.

Scotland rents data (underlying the IPHRP's stock measure) are mainly for advertised new lets, which are not subject to the price cap. We advise users to bear this in mind when interpreting estimates for Scotland and comparing with other UK countries.

Northern Ireland

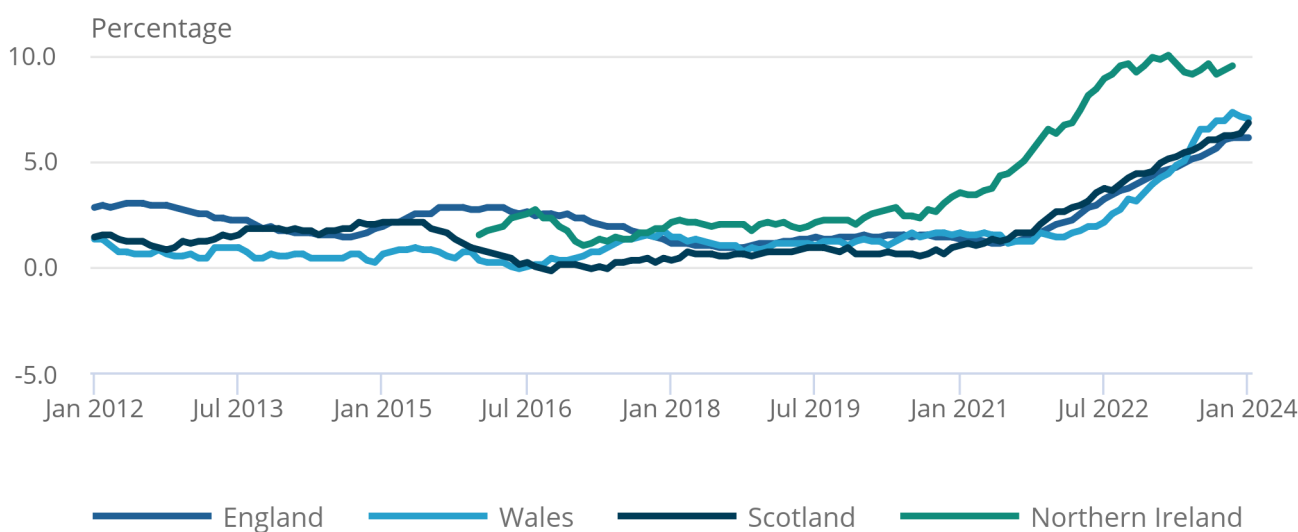
Private rental prices in Northern Ireland increased by 9.5% in the 12 months to November 2023, up from 9.3% in the 12 months to October 2023. The annual rate for Northern Ireland remains higher than for other UK countries. Northern Ireland data lag two months behind the rest of the UK and updated Northern Ireland data will be used to update our UK estimates when they become available.

Figure 2: Annual rental price inflation was higher in Wales than in England and Scotland

Private rental price percentage change over 12 months for countries of the UK, January 2012 to January 2024

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Private rental price percentage change over 12 months for countries of the UK, January 2012 to January 2024



Source: Index of Private Housing Rental Prices from the Office for National Statistics

Notes:

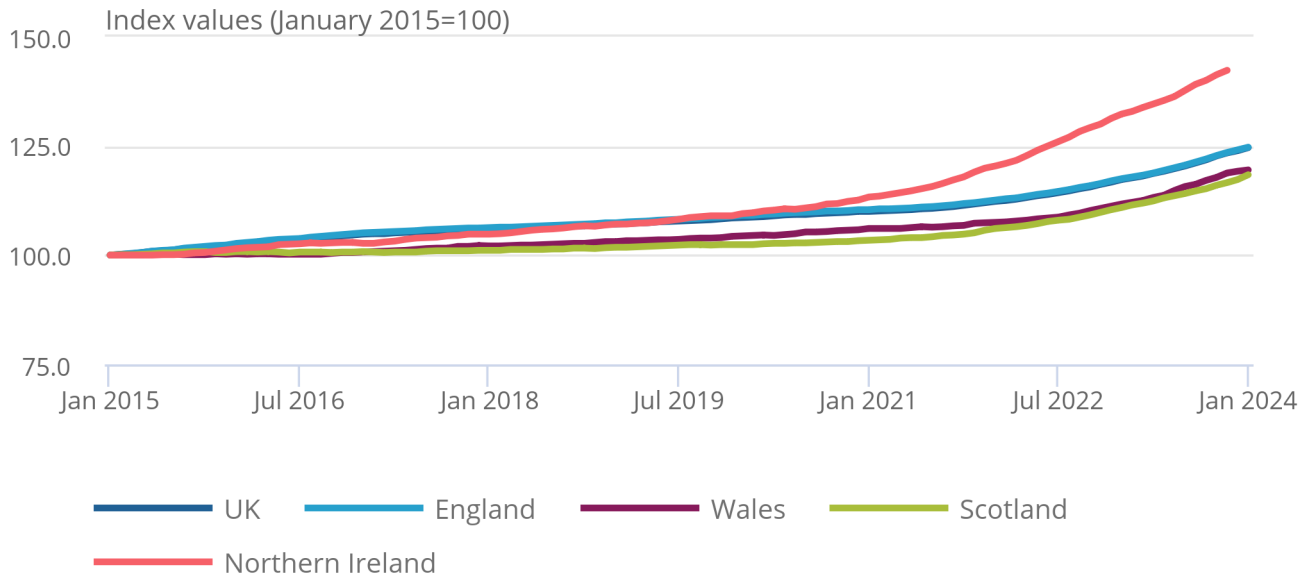
1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and Limitations](#).
2. Northern Ireland data are currently available up to November 2023. Updated data will be used to revise UK estimates when available.
3. The [Cost of Living \(Tenant Protection\) Scotland Act](#) passed on 6 October 2022, introducing a temporary rent cap in the private rented sector in Scotland. This cap, which applies to in-tenancy rent increases, was initially set at 0% for rent-increase notices served from 6 September 2022 until 31 March 2023. Private landlords could alternatively apply for a rent increase of up to 3% to help cover certain increases in costs in defined and limited circumstances. The Act has since been extended to 31 March 2024, with a mid-tenancy rent-increase cap of 3% from 1 April 2023. Private landlords are able to apply for a rent increase of up to 6% to help cover certain increases in costs in defined and limited circumstances.

Figure 3: Rental prices have increased more in England and Northern Ireland than in Wales and Scotland since 2015

Private rental price indices for countries of the UK, January 2015 to January 2024

Figure 3: Rental prices have increased more in England and Northern Ireland than in Wales and Scotland since 2015

Private rental price indices for countries of the UK, January 2015 to January 2024



Source: Index of Private Housing Rental Prices from the Office for National Statistics

Notes:

1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and limitations](#).
2. Northern Ireland data are currently available up to November 2023. Updated data will be used to revise UK estimates when available.
3. See footnote 3 below Figure 2.

4 . Annual UK private rental price percentage change by English region

London was the English region with the highest annual rents inflation in the 12 months to January 2024, at 6.9%. This was up from 6.8% in the 12 months to December 2023, and represents the joint-highest annual percentage change since this London data series began in January 2006.

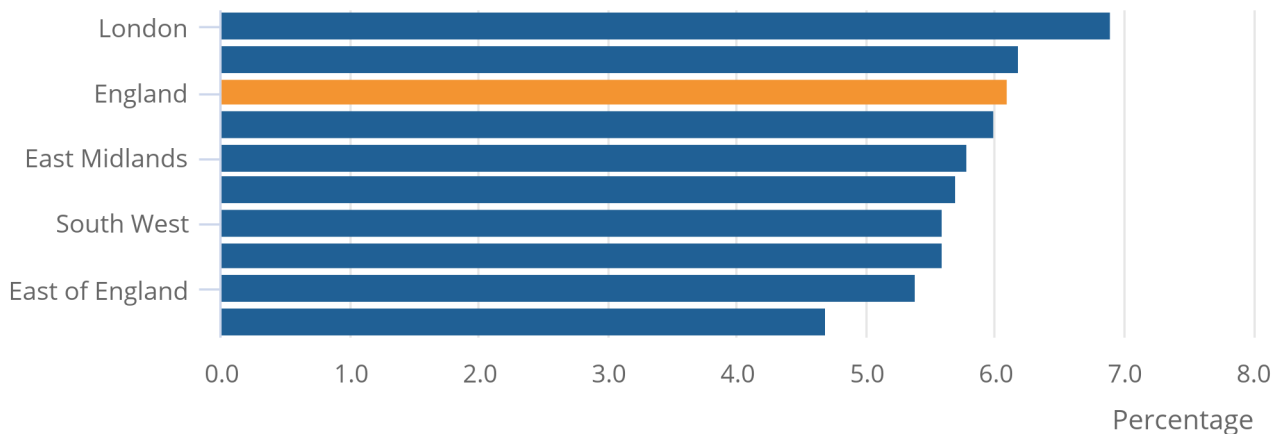
Annual rents inflation was lowest in the North East, at 4.7% in the 12 months to January 2024, which was up from 4.6% in the 12 months to December 2023.

Figure 4: Highest annual rents inflation was in London

Private rental price percentage change over the 12 months to January 2024, by English region

Figure 4: Highest annual rents inflation was in London

Private rental price percentage change over the 12 months to January 2024, by English region



Source: Index of Private Housing Rental Prices from the Office for National Statistics

Notes:

1. Data presented are classified as [official statistics in development](#). Estimates are not seasonally adjusted. More information is available in [Section 8: Strengths and limitations](#).

5 . Index of Private Housing Rental Prices UK data

[Index of Private Housing Rental Prices, UK: monthly estimates](#)

Dataset | Released 14 February 2024

Rental price statistics historical data time series (indices and annual percentage change). These are [official statistics in development](#).

[Index of Private Housing Rental Prices, UK: annual weights analysis](#)

Dataset | Released 22 March 2023

Aggregate weights information used in the experimental Index of Private Housing Rental Prices (IPHRP). See our [Guide to experimental statistics article](#) for more information.

6 . Glossary

Index of Private Housing Rental Prices (IPHRP)

The IPHRP measures the change in the price that tenants face when renting residential property from private landlords.

Administrative data

Administrative data are data that people have already provided to the government through day-to-day activities. Examples include health records, social security payments, and educational attainment information.

7 . Measuring the data

Sources

The Index of Private Housing Rental Prices (IPHRP) is created using administrative data, which are data that are already collected for other purposes, to estimate rental prices. The sources of private rental prices are the Valuation Office Agency (VOA), Scottish Government, Welsh Government and Northern Ireland Housing Executive (NIHE). Data for Northern Ireland also include data provided by [Propertynews.com](#).

The sources of the annually updated [Index of Private Housing Rental Prices, UK: annual weights analysis dataset](#) are the Department for Levelling Up, Housing and Communities (DLUHC), Scottish Government, Welsh Government, NIHE and VOA.

The last planned release of the Index of Private Housing Rental Prices (IPHRP) was on 14 February 2024. As part of our continuous improvement of UK price statistics, these statistics have been superseded by our new, monthly [Private rent and house prices, UK](#) bulletin, in which we will continue to publish housing statistics and links to relevant tables and datasets.

The IPHRP's indices are updated on a monthly basis with the new monthly estimate. Data are indexed with January 2015 as a base year. Data are provided for:

- England from January 2005
- Wales from January 2009
- Scotland from January 2011
- Northern Ireland from January 2015
- UK from January 2015

Revision policy

Northern Ireland rental data are not available for the latest two months. To produce provisional estimates of the IPHRP and annual percentage change for the latest two months, Northern Ireland's index has been carried forward. For example, rental price inflation has been assumed to be 0% for the latest two months.

Each subsequent month, updated Northern Ireland data are used to revise estimates for the UK. This means that there is a two-month revision period for the UK series and UK (excluding London) series in the IPHRP.

Data collection

In England and Wales, data for achieved rents are collected for both new tenancies and existing tenancies. When 12 months have passed following a property's last update, rent officers receive a notification, which supports rent officer aims to revisit previous properties.

In Northern Ireland, rents data are for advertised new lets.

In Scotland, rents data are predominantly for advertised new lets. Data collection procedures do not involve actively seeking to recollect data for previously collected properties.

In the IPHRP, assumptions on average periods between rent price increases are used to measure price inflation for the stock of rents. IPHRP methodology assumes that rental price remains constant for up to 14 months if updated rental data for that property are not available, and replaces records more than 14 months old.

Since Scotland data are predominantly new lets data, only a small proportion of Scotland data collected are based on existing lets data. This means that replacement data will be predominantly based on newly advertised rents, which are not subject to the price cap. Therefore, price changes for existing tenancies are largely estimated for Scotland.

Cost of Living (Tenant Protection) Scotland Act

The [Cost of Living \(Tenant Protection\) Scotland Act](#) capped in-tenancy rental price increases at 0% (and up to 3% in certain circumstances) until 31 March 2023. On 1 April 2023, this rental price increase cap was increased to 3% (and up to 6% in certain circumstances), as reported in the Scottish Government website [article on the approval of the 3% rent cap](#). On 20 September 2023, the Scottish Government published [the article, Scottish Parliament approves final extension of tenant protections](#), confirming that this rental price cap would remain in place for up to six months from October 2023. This rental price cap only applies to in-tenancy rent increases, with no restriction on rent increases for new lets.

Quality

More information on strengths, limitations, appropriate uses, and how the data were created is available in our [Index of Private Housing Rental Prices Quality and Methodology Information \(QMI\)](#).

Future developments

[Digital Economy Act 2017](#), the Office for National Statistics (ONS) gained access to Valuation Office Agency (VOA) private rental microdata. We aim to redevelop the IPHRP and private rental market summary statistics (PRMS) to produce mix-adjusted average rental prices that are comparable over time. We also plan to refine geography to lower geographic levels, to better meet user needs.

Preliminary outputs of the new rents system, the Price Index of Private Rents (PIPR), were published on 1 December 2023 in our [Redevelopment of private rental prices statistics, impact analysis article](#) and within our wider [Impact analysis on transformation of UK consumer price statistics release](#). We hosted a webinar on 1 December 2023 to accompany the impact analysis publication, and hosted further engagement sessions in January 2024. You can see details of the presentations on [Eventbrite](#).

The PIPR methodology overview is available in our [redevelopment of private rental prices statistics, intended methodology](#). More information and a timetable for these developments (updated 6 July 2023) are available in our [Private rental prices development plan: updated February 2022](#).

If you have any queries or feedback on these developments, please email us at hpi@ons.gov.uk.

8 . Strengths and limitations

Strengths

The Index of Private Housing Rental Prices (IPHRP) is constructed using large administrative sources, specified in [Section 7: Measuring the data](#). Annually, over 450,000 private rental prices are collected in England and around 30,000 in Wales, 40,000 in Scotland, and over 10,000 in Northern Ireland. The index not only measures the change in newly advertised rental prices, but reflects price changes for all private rental properties, including for existing tenancies.

Limitations

Where collected rents data are predominantly for new lets, compositional differences between rents data and the rental sector will be larger.

The IPHRP is published as price indices, rather than average prices. It is also only published down to a country and regional level. Average rental price levels cannot currently be published in IPHRP because of data access constraints. Our work, as described in our [redevelopment of private rental prices statistics methodology](#), aims to address this.

The IPHRP is released as [official statistics in development](#), and is subject to revisions if improvements in the methodology are identified. Users should interpret results with this in mind.

9 . Related links

[Redevelopment of private rental prices statistics, impact analysis, UK: December 2023](#)

Article | Released 1 December 2023

We are redeveloping our private rental price statistics, intending to use them in our measurement of consumer prices from 2024. This article provides research indices using these data.

[Consumer Price inflation, UK: January 2024](#) Bulletin | Released 14 February 2024

Price indices, percentage changes and weights for the different measures of consumer price inflation.

[Cost of living insights: Housing](#)

Webpage | Released 24 May 2023

The latest data and trends about the cost of living. Explore changes in housing costs and how this is affecting people.

[Changes in private rental sector behaviour, England and Wales: February 2022 to September 2023](#)

Article | Released 3 November 2023

Experimental longitudinal analysis of observed recent changes in the abundance and magnitude of private rental price changes in England and Wales.

[Private rental growth measures, a UK comparison: January to December 2022](#)

Article | Released 25 January 2023

Compares growth in the Index of Private Housing Rental Prices (IPHRP) with other measures of private rental growth.

[Private rental prices development plan, UK: updated February 2022](#)

Article | Released 8 February 2022

Overview of our plans for the statistical development of rental prices statistics, including a timeline for development.

[Private rental market summary statistics in England: October 2022 to September 2023](#)

Bulletin | Released 20 December 2023

Median monthly rental prices for the private rental market in England, calculated using data from the Valuation Office Agency.

10 . Cite this statistical bulletin

Office for National Statistics (ONS), released 14 February 2024, ONS website, statistical bulletin, [Index of Private Housing Rental Prices, UK: January 2024](#).